

**MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY
TITLE V OPERATING PERMIT TECHNICAL REVIEW DOCUMENT**

**Permitting and Compliance Division
Air and Waste Management Bureau
1520 E. Sixth Avenue
P.O. Box 200901
Helena, Montana 59620-0901**

**ConocoPhillips Company
Great Falls Product Terminal
NW¼, Section 3, T20N, R4E
1401 52nd Street North
Great Falls, Cascade County, Montana**

The following table summarizes the air quality programs testing, monitoring, and reporting requirements applicable to this facility.

Facility Compliance Requirements	Yes	No	Comments
Source Tests Required	X		Method 9 as required by the Department
Ambient Monitoring Required		X	
COMS Required		X	
CEMS Required		X	
Schedule of Compliance Required		X	
Annual Compliance Certification and Semiannual Reporting Required	X		As applicable
Monthly Reporting Required	X		As applicable
Quarterly Reporting Required		X	
Applicable Air Quality Programs			
ARM Subchapter 7 Montana Air Quality Permitting	X		#2946-02
New Source Performance Standards (NSPS)		X	
National Emission Standards for Hazardous Air Pollutants (NESHAPS)		X	
Maximum Achievable Control Technology (MACT)		X	Except 40 CFR 61, Subpart M
Major New Source Review (NSR)		X	
Prevention of Significant Deterioration (PSD)		X	
Risk Management Plan Required (RMP)		X	
Acid Rain Title IV		X	
State Implementation Plan (SIP)	X		General SIP

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I. GENERAL INFORMATION

A. Purpose

This document establishes the basis for the decisions made regarding the applicable requirements, monitoring plan, and compliance status of emissions units affected by the operating permit proposed for this facility. The document is intended for reference during review of the proposed permit by the EPA and the public. It is also intended to provide background information not included in the operating permit and to document issues that may become important during modifications or renewals of the permit. Conclusions in this document are based on information provided in the renewal operating permit application submitted by ConocoPhillips Company (ConocoPhillips) formerly Conoco, Inc. (Conoco) and received by the Department of Environmental Quality (Department) on April 11, 2003, an administrative amendment received February 21, 2003, as well as the original operating permit application received on June 10, 1996.

B. Facility Location

ConocoPhillips owns and operates the Great Falls Product Terminal is located in the NW¼ of Section 3, Township 20 North, Range 4 East in Cascade County, Montana. Cascade County is designated as an Unclassifiable/Attainment area for National Ambient Air Quality Standards (NAAQS) for all criteria pollutants. The Great Falls Product Terminal is located just east of the Great Falls city limits at the intersection of Highway 87 and 52nd Street. The facility is surrounded by a meat packing plant on the north, a construction company and a few residences to the west, a distribution company on the south and a field and fertilizer plant northeast and northwest, respectively. There are no schools, medical facilities, or recreational areas in the immediate vicinity of the terminal.

C. Facility Background Information

On October 9, 1997, Permit **#2946-00** was issued to Conoco to exempt them from 40 CFR 63, Subpart R (Gasoline Distribution MACT (Maximum Achievable Control Technology)) applicability. The Great Falls Product Terminal tanks were constructed in 1960. Conoco's Great Falls Product Terminal was not required to obtain an air quality permit because this facility was constructed prior to November 23, 1968; however, Conoco requested a throughput limit on the facility to keep them below the 40 CFR 63, Subpart R applicability threshold. Operating Permit **OP2946-00** was issued final and effective on October 9, 1997.

A letter from ConocoPhillips dated January 3, 2003, and received by the Department on January 10, 2003, notified the Department that Conoco had changed its name to ConocoPhillips and requested the name change on both their Montana Air Quality Permit and Title V Operating Permit. The current permit action changed the name on the permit from Conoco to ConocoPhillips. Permit **#2946-01** has been updated to reflect current permit language and rule references used by the Department. Permit #2946-01 replaced Permit #2946-00.

The permit action contained in **OP2946-01** changed the name on the permit from Conoco to ConocoPhillips. Operating Permit OP2946-01 replaced OP2946-00.

D. Current Permit Action

The current permit action is a renewal of ConocoPhillips' Title V Operating Permit OP2946-01 for the Great Falls Product Terminal. ConocoPhillips' Operating Permit OP2946-01 was applicable for 5 years and expired on January 12, 2004. ConocoPhillips applied for a renewal of their Title V Operating Permit on April 11, 2003. Operating Permit **OP2946-02** replaces Operating Permit OP2946-01.

E. Taking and Damaging Analysis

HB 311, the Montana Private Property Assessment Act, requires analysis of every proposed state agency administrative rule, policy, permit condition or permit denial, pertaining to an environmental matter, to determine whether the state action constitutes a taking or damaging of private real property that requires compensation under the Montana or U.S. Constitution. As part of issuing an operating permit, the Department is required to complete a Taking and Damaging Checklist. The checklist was completed on May 12, 2003.

F. Compliance Designation

The Department inspected the ConocoPhillips Great Falls Product Terminal on March 11, 2003. The inspection findings and all the material reviewed in the Department's files indicate that the facility is in compliance.

II. SUMMARY OF EMISSION UNITS

A. Facility Process Description

ConocoPhillips operates a bulk gasoline terminal at the Great Falls Product Terminal. The terminal stores and transfers petroleum products (gasoline and distillate) received from the pipeline and distributes them to regional markets via tank trucks. The Standard Industrial Classification (SIC) for this facility is "Wholesale Distribution" which has an SIC Code of "5171."

B. Emission Units and Pollution Control Device Identification

Currently, the Great Falls Product Terminal operates EU1, a truck loading rack and six tanks. EU2 Tank #90, EU3 Tank #91, and EU6 Tank #94 equipped with external floating roofs. EU4 Tank #92, EU5 Tank #93, and EU7 Tank #95 (Tank #95 contains off spec product) equipped with vertical fixed roof. Fugitive emissions include valves, flanges, pump seals, open-ended lines, etc. and are required to be inspected each calendar month.

C. Categorically Insignificant Sources/Activities

The Administrative Rules of Montana (ARM) 17.8.1201(22)(a) defines an insignificant emissions unit as one that emits less than 5 tons per year of any regulated pollutant, has the potential to emit less than 500 pounds per year of lead or any hazardous air pollutant, and is not regulated by an applicable requirement other than a generally applicable requirement.

The miscellaneous emissions from the ConocoPhillips Product Terminal include emissions from tank cleaning; additive tanks emissions, and meter proving, etc. These units are insignificant because they emit less than 5 tons per year of any regulated pollutant.

III. PERMIT CONDITIONS

A. Emission Limits and Standards

The ConocoPhillips Great Falls Product Terminal is limited to a maximum of 88,200,000 gallons of gasoline and 88,200,000 gallons of distillate product throughput for the truck loadout operation during any 12-month rolling period. ConocoPhillips is also required to conduct monthly leak checks for the fugitive emissions. Detection methods incorporating sight, sound, or smell are acceptable for the purposes of these inspections. The emission units at this facility are not subject to the 40 CFR 63, Subpart R Gasoline Distribution MACT requirements because they have accepted an operational limit that keeps them below the threshold value. The emission units at the facility are not required to meet any National Emission Standards for Hazardous Air Pollutants (NESHAP) or New Source Performance Standards (NSPS). This facility is not subject to Prevention of Significant Deterioration (PSD) regulations.

B. Monitoring Requirements

ARM 17.8.1212(1) requires that all monitoring and analysis procedures or test methods required under applicable requirements are contained in operating permits. In addition, when the applicable requirement does not require periodic testing or monitoring, periodic monitoring must be prescribed that is sufficient to yield reliable data from the relevant time period that is representative of the source's compliance with the permit.

The requirements for testing, monitoring, recordkeeping, reporting, and compliance certification sufficient to assure compliance does not require the permit to impose the same level of rigor for all emissions units. Furthermore, it does not require extensive testing or monitoring to assure compliance with the applicable requirements for emissions units that do not have significant potential to violate emission limitations or other requirements under normal operating conditions. When compliance with the underlying applicable requirement for a insignificant emissions unit is not threatened by lack of regular monitoring and when periodic testing or monitoring is not otherwise required by the applicable requirement, the status quo (**i.e., no monitoring**) will meet the requirements of ARM 17.8.1212(1). Therefore, the permit does not include monitoring for insignificant emissions units.

The permit includes periodic monitoring or recordkeeping for each applicable requirement. The information obtained from the monitoring and recordkeeping will be used by the permittee to periodically certify compliance with the emission limits and standards. However, the Department may request additional testing to determine compliance with the emission limits and standards.

C. Test Methods and Procedures

The operating permit may not require testing for all sources if routine monitoring is used to monitor compliance, but the Department has the authority to require testing if deemed necessary to monitor compliance with an emission limit or standard. In addition, the permittee may elect to voluntarily conduct compliance testing to confirm its compliance status.

D. Recordkeeping Requirements

The permittee is required to keep all records listed in the operating permit as a permanent business record for at least five years following the date of the generation of the record.

E. Reporting Requirements

Reporting requirements are included in the permit for each emissions unit and Section V of the operating permit "General Conditions" explains the reporting requirements. However, the permittee is required to submit semi-annual and annual monitoring reports to the Department and to annually certify compliance with the applicable requirements contained in the permit. The reports must include a list of all emission limit and monitoring deviations, the reason for any deviation, and the corrective action taken as a result of any deviation.

F. Public Notice

In accordance with ARM 17.8.1232, a public notice was published in *The Great Falls Tribune* on or before September 16, 2003. The Department provided a 30-day public comment period from September 16, 2003, to October 17, 2003 on the draft operating permit. ARM 17.8.1232 requires the Department to keep a record of both comments and issues raised during the public participation process. The comments and issues received by October 17, 2003, will be summarized, along with the Departmental response, in the following tables.

Summary of Public Comments

Person/Group Commenting	Comment	Department Response
No Comments		

G. Draft Permit Comments

Summary of Permittee Comments

Permit Reference	Permittee Comment	Department Response
No Comments		

Summary of EPA Comments

Permit Reference	EPA Comment	Department Response
No Comments		

IV. NON-APPLICABLE REQUIREMENTS ANALYSIS

Section IV of the operating permit "Non-applicable Requirements" contains the requirements that the Department determined were non-applicable. The following table summarizes the requirements that ConocoPhillips identified as non-applicable and contains the reasons that the Department did not include these requirements as non-applicable in the permit.

Requirement not Identified in the Operating Permit

Applicable Requirement	Reason
ARM 17.8.601 ARM 17.8.602 ARM 17.8.1201(10)(a) ARM 17.8.1201(10)(f) ARM 17.8.1201(10)(i) ARM 17.8.1201(10)(k)	This is either a statement of purpose, applicability statement, regulatory definitions, or a statement of incorporation by reference. These types of rules do not have specific requirements associated with them.
ARM 17.8.604 ARM 17.8.605 ARM 17.8.606 ARM 17.8.611 ARM 17.8.612 ARM 17.8.613 ARM 17.8.614 ARM 17.8.615	These are procedural rules that have specific requirements that may become relevant to a major source during the permit term.

V. FUTURE PERMIT CONSIDERATIONS

A. MACT Standards

As of the draft issuance date of Operating Permit OP2946-02, ConocoPhillips has an operational limit that keeps them below the requirements of 40 CFR 63, Subpart R and the Department is unaware of any other future MACT Standards that may be promulgated that will effect this facility.

B. NESHAP Standards

As of the draft issuance date of Operating Permit OP2946-02, the Department is unaware of any future NESHAP Standards that may be promulgated that will affect this facility.

C. NSPS Standards

As of the draft issuance date of Operating Permit OP2946-02, the Department is unaware of any future NSPS Standards that may be promulgated that will affect this facility.

D. Risk Management Plan

As of the draft issuance date of permit OP2946-02, this facility does not have any substance listed in 40 CFR 68.115 or 40 CFR 68.130, which exceeds the minimum threshold quantities. This facility is not required to submit a Risk Management Plan at this time.

If a facility has more than a threshold quantity of a regulated substance in a process, the facility must comply with 40 CFR 68 requirements no later than June 21, 1999; three years after the date on which a regulated substance is first listed under 40 CFR 68.130; or the date on which a regulated substance is first present in more than a threshold quantity in a process, whichever is later.